



Affiliated Tribes of Northwest Indians

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Oversight Field Hearing on Economic and Social Issues
Affecting the Northwest Tribes

Senate Committee on Indian Affairs

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Good morning Chairman Dorgan and members of the Committee. My name is Brian Cladoosby, and my traditional name is Speepots. I am the President of the Affiliated Tribes of Northwest Indians ("ATNI") and the Chairman of the Swinomish Indian Tribe. ATNI appreciates the opportunity to testify on the economic and social issues affecting Indian tribes in the Northwest.

Founded in 1953, ATNI represents 57 tribal governments from Oregon, Idaho, Washington, western Montana, Alaska, northern California, and Nevada. Today, I am proud to be able to highlight for the Committee some of the economic and social issues affecting Northwest Tribes. The Northwest Tribes are very diverse. The Northwest is home to Tribes with large reservations and natural resource based economies and others with very little, if any, land. Despite our ranging differences Northwest Tribes stand strong together under ATNI to face the challenges of ensuring our communities are healthy, safe and sustainable.

First, I would like to share some thoughts. We, as Northwest Tribes, are learning more as we progress. We have learned that distributing income from casinos is not the answer. Indeed, just as would be imagined for any other community, free, windfall money is more likely to reduce motivation, destroy self-esteem, and aggravates the long endured and reinforced symptoms of poverty than it is to solve them. We have learned that job creation alone is not the solution. People accustomed to living outdoors, to whom hunting and fishing remain among the most valued possible human endeavors aren't necessarily drawn to windowless, smoke filled rooms lit with flashing lights or corporate style offices.

Gaming has enabled many Northwest tribes to provide basic health care, education, and housing. We address many of those by-products of poverty with childcare, provide for law and justice, care for the elders, and drug and alcohol programs. We provide these social services not only to ourselves, but in many of the remote communities that are our homes. In many cases, we are the only providers of these services and make them available to our neighbors.

Increasingly, the Northwest Tribes have been leaders in assuming direct managing of our natural resources. According to Bureau of Indian Affairs statistics, the Northwest Tribes and their enterprises support 40,000 jobs and buy over a billion dollars a year in supplies and services, much of which supports our larger local communities. We deliver a full range of government services of a complexity unsurpassed in the US except by the federal government. And we operate businesses of a size and scale on par with almost any private business. Yet we typically do so with the human resources of a small town. The largest Tribes in our region seldom exceed 10,000 in total population and smallest tribes go as low as 700 in population.

With these observations in mind, below are some issues, concerns, and opportunities that ATNI sees with respect to economic and social issues for its membership.

Expanding Self Determination and Self Governance opportunities is a key to the future of many ATNI Tribes. Many ATNI Tribes seek to continue to restore their resources so that they can once again be contributors to their spiritual, physical, and economic health. We ask that the federal government actively pursue with us our lead role under the directives of the Indian Self Determination Act (PL 93-638). This would include making the policy of self-determination a proactive element of the Congress and the Federal Government, not just a consequence of the Tribes' insistence.

Renewable Energy Development and Climate Change: ATNI member tribes are very interested in energy development because it is a key to economic development for many Northwest Tribes, many of which are impoverished and have unemployment rates that are much higher than other areas of the country. ATNI members tribes are exploring wind, biomass, solar, geothermal, and hydroelectric energy opportunities, among others. . While some Tribes have experience in those areas, most do not and seek help in building expertise and knowledge. To this end, the ability of Northwest Tribe to obtain capacity building grants to allow them to create the expertise to diversify away from a reliance on casino gaming will be critical to ensuring that these projects progress and become successful.

In addition, several ATNI member Tribes, such as my own Tribe, the Swinomish Tribe, have climate change policies and are concerned about the effects of climate change in ocean, rain and snowfall, and changes in fish and wildlife, and in our culture.

Streamlining the fee-to-trust process so lands reacquired by Tribes can become productive for them more quickly is also important to ATNI. This includes breaking down unnecessary barriers and expenses that the Bureau of Indian Affairs requires of Tribes to put even on-reservation land into trust status.

The enactment of a *Carcieri* “fix” to ensure that all federally recognized Tribes can avail themselves of the opportunity to have land taken into trust for economic development or other purposes is a critical issue for ATNI. Although opponents have attempted to make this a gaming issue, the case negatively affects Northwest Tribes at the most fundamental levels. For example, the uncertainty caused by the decision has indefinitely delayed a fee-to-trust application submitted by the Sauk-Suiattle Indian Tribe for 1.5 acres for a housing development. A number of other Tribes in the Northwest are potentially affected by the decision.

Trust reform is an area where ATNI has been a national leader for several years. ATNI’s commitment to this issue is grounded in maintaining the integrity of the United States’ trust responsibility that is, as you know, based upon the historical cession of millions of acres of ancestral lands by the tribes. In return for these lands, the United States government committed itself to protecting the tribes in the possession and occupancy of their remaining homelands. ATNI believes strongly that Congress should consider a comprehensive approach to trust management. ATNI and other tribal organizations spent significant time and energy in working with both this Committee in recent years on these issues, specifically developing Title III of the Indian Trust Reform Act of 2005 (introduced as H.R. 4322 in the 109th Congress) and transitioning the Office of the Special Trustee back to the Bureau of Indian Affairs. Looking ahead, we hope that the Committee will consider these views as it considers other bills and initiatives relating to administration of Indian trust assets.

Federal and state taxation of Indian land and property is another area of concern and interest to ATNI and its member tribes. For too long, Indian tribes have been at a disadvantage in the area of taxation. For example, Thurston County, in southern Washington, is attempting to impose personal property taxes on permanent buildings on tribal trust land on the Chehalis Tribe’s Reservation. Under a joint venture, the Tribe and its minority-interest non-Indian business partner use the buildings to operate a \$170-million hotel, convention center, and water park known as the Great Wolf Lodge. The Tribe has invested in upwards of \$86 million of its own cash, credit and sweat equity in the Great Wolf Lodge project and project is a sterling example of the benefits of non-gaming economic development to tribal and surrounding communities.

For more than 100 years, Indian lands and property have been tax exempt. Because there is no federal statute that expressly preempts property taxes in this context, however, the Chehalis Tribe has been forced to defend its rights through expensive and burdensome litigation. This problem is not confined to the Northwest. Renewable energy projects on Indian lands, which necessarily require non-Indian partners to be viable, have also been targeted by state and local governments in the Great Plains and the Southwest for personal property taxes.

The Committee can help Tribes address these issues through legislative reforms that will bring more substantial private investment and in turn economic opportunity to Indian Country. In this regard, ATNI encourages the Committee, together with the Senate Committee on Finance, to explore opportunities to clarify that (1) Tribal majority-owned businesses should be treated like other Tribal businesses and not taxed locally; and (2) improvements to Indian Trust Land should be treated like the underlying real property for state and local tax purposes. Given the potential benefits of these clarifications for renewable energy development in Indian country, ATNI suggests that they would be candidates for inclusion in the energy package that the Senate is expected to consider next month. Unless Congress clarifies existing law in this manner, Tribes will continue to face obstacles in moving away from casinos and into green energy, hospitality, and countless other areas of non-gaming economic development.

Housing is still far more substandard than for the rest of the country. An estimated 200,000 housing units are needed immediately in Indian Country and approximately 90,000 Native families are homeless or under-housed. Overcrowding on tribal lands is almost 15 percent, and 11 percent of Indian homes lack complete plumbing and kitchen facilities. Although Economic Development produces much needed jobs it is slower to improve the housing conditions of Native Americans. ATNI recognizes that without faster results to improving housing conditions tribes continue to maintain federal funding dependency. ATNI urges congress to maintain the levels of housing funding for budget year 2011.

Natural Resources. have always been at the center of our cultures for the Pacific Northwest Tribes, a fact no less true today than when many of our tribes signed agreements with the U.S. government. These resources are essential for our spiritual, economic and cultural survival as Indian people. The tribes of the Pacific Northwest depend economically on healthy salmon, wildlife, forests as well as on optimal water and air quality. Habitat destruction, pollution, unregulated water withdrawals, poor land-use planning, and many other environmental issues today threaten to make meaningless our reserved rights. ATNI asks for adequate and efficient funding of federal reserved obligations through tribal natural resources management programs, projects, and agreements. Flat funding levels and inflation have stripped us of buying power, leaving us with real funding equal to that we received 30 years ago, despite the fact that our management responsibilities have grown exponentially. Areas in critical need of funds are water resources management, hatcheries, habitat restoration, timber and wildlife management. Our reserved rights are dependent on healthy natural resources, which in turn depend on a healthy environment. Healthy environments lead to healthy communities and healthy economies.

I appreciate the opportunity to provide this testimony before the Committee. At this time, I would be happy to answer any questions that the Committee may have.